



**7 VENDOR MANAGEMENT**  
**7.9 Draft Redemption**

*Effective: 6/1/96*

**POLICY:** Vendors must redeem WIC drafts according to the process described in the Wisconsin WIC Vendor Manual and HSS 149. WIC drafts will be returned, unpaid, to vendors when specific procedures for redeeming drafts are not followed or when a stop payment has been issued by the State WIC Office.

**PROCEDURE:**

**A. COUPONS**

1. Participants may use cents-off coupons but the amount of the cents-off must be deducted from the final dollar amount entered on the WIC draft.
2. The dollar amount entered on the draft must reflect all posted store specials, coupons, discounts and other reduced prices extended to non-WIC customers.
3. Coupons for “free items” or “free ounces” may result in the participant receiving more ounces than specified on the WIC draft but the “free items” or “free ounces” must be WIC approved foods only.

**B. EXCHANGE OF FOODS**

Vendors are allowed to replace a defective or expired WIC food with the same product in the same dollar amount and quantity (i.e., item for item). Exchanging WIC foods for different foods or for cash is not allowed.

**C. REJECTED DRAFTS**

1. WIC drafts will be rejected by WIC's bank for the following reasons:
  - a) the dollar amount exceeds the allowable limits
  - b) the draft was not stamped with the vendor's authorized stamp number
  - c) the vendor number is an unauthorized number
  - d) the vendor stamp number is illegible
  - e) the draft was deposited after 60 days from the first day to use (the first day to use is included in determining the 60 days)
  - f) the participant's/proxy's signature is missing



- g) the draft was altered
  - h) a stop payment was placed by the State WIC Vendor Unit
2. Rejected drafts may be corrected and re-deposited in the following instances but must clear WIC's bank within 60 days of the first day to use:
    - a) the draft was deposited without the authorized vendor stamp number
    - b) the vendor stamp number is unclear or illegible
    - c) the dollar amount is unreasonable
  3. Drafts rejected because of a missing participant/proxy signature are the liability of the vendor. Participants or proxies must never be asked to go back to the store to sign the drafts at a later time nor should the participant be requested to sign the draft the next time he or she is in the store.
  4. WIC drafts may only be re-deposited one time after the initial deposit. If a draft is re-deposited a second time, it will be stamped as "VOID" and returned to the vendor, unpaid.
  5. Calls from vendors regarding drafts for which the reason for rejection is unclear or regarding drafts that appear to have been rejected in error should be referred to the Vendor Manager in the State WIC Vendor Unit.
  6. Local WIC Projects should never replace drafts that have been rejected by WIC's bank.

#### **D. STOP PAYMENTS**

Stop payment orders are placed by staff of the State WIC Vendor Unit only. Contact the Compliance Manager to request a stop payment order.

#### **E. DRAFT LOOK-UP/COPIES OF DRAFTS**

Contact the Vendor Manager in the State WIC Vendor Unit for information regarding specific drafts (e.g., when a draft was redeemed, the dollar amount of the draft, copies of drafts) and provide information on the first day to use and the draft number.